

HOUSE BILL NO. 216

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Introduced: 3/26/03

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to municipal taxation of refined fuel products."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** AS 29.10.200 is amended by adding a new paragraph to read:

4 (64) AS 29.45.820 (restriction on taxation of fuel products).

5 * **Sec. 2.** AS 29.45.650(a) is amended to read:

6 (a) Except as provided in AS 04.21.010(c), AS 29.45.750, 29.45.820, and in
7 (f) and (h) of this section, a borough may levy and collect a sales tax on sales, rents,
8 and on services provided in the borough. The sales tax may apply to any or all of
9 these sources. Exemptions may be granted by ordinance.

10 * **Sec. 3.** AS 29.45 is amended by adding a new section to read:

11 **Sec. 29.45.820. Restriction on taxation of fuel products.** (a) Except as
12 provided in (b) of this section, a municipality may not impose a property, sales, or
13 other tax on refined fuel products or constituents of refined fuel products.

14 (b) A municipality may impose a sales or transfer tax on motor fuel that is not
15 transported for sale or distribution outside that municipality. For purposes of this

1 subsection, "motor fuel" has the meaning given in AS 43.40.100.

2 (c) This section applies to home rule and general law municipalities.

3 * **Sec. 4.** Sec. 4, ch. 100, SLA 2002, is repealed and reenacted to read:

4 Sec. 4. AS 29.45.650(a) is amended to read:

5 (a) Except as provided in AS 04.21.010(c), [AS 29.45.750,] AS 29.45.820,
6 and in (f) and (h) of this section, a borough may levy and collect a sales tax on sales,
7 rents, and on services provided in the borough. The sales tax may apply to any or all
8 of these sources. Exemptions may be granted by ordinance.